



NEWS NUGGETS

New JV chases copper, gold near Pebble

Kijik Corp. and Alaska Earth Sciences Inc. Dec. 30 announced the formation of Chuchuna Minerals Company, a joint venture partnership to advance exploration at the Groundhog copper-gold project, situated immediately north of the Pebble project in Southwest Alaska. Alaska Earth Sciences, an Anchorage-based geological consulting firm that discovered the Groundhog prospect, will own 51 percent of Chuchuna Minerals; the remaining 49 percent will be owned by Kijik, the Alaska Native village corporation for Nondalton, the nearest community to the Groundhog property. Kijik brings local experience and resources to the project, which is expected to improve the development of community engagement and work force development programs. Results from a number of geophysical surveys over several years infer that Groundhog lies along the northeast margin of the Kaskanak batholith and is intersected by a north-northeast-trending corridor of distinctive intrusives. Alaska Earth Sciences said these surveys reveal very large conductive and resistive bodies in northeast trending structures on the Groundhog property. Multiple occurrences of porphyry-style mineralization and breccias occur within this belt, including Pebble West and East and several other significant discoveries. Chuchuna Minerals will be seeking an option partner to continue exploration.

Progress report for Livengood

International Tower Hill Mines Ltd. Jan. 5 reported progress toward optimization of the Livengood gold project in Interior Alaska. The 2014 program included metallurgical work; mine production scheduling studies; power supply alternatives review; and alternative camp reviews. The company says this work has developed an improved production schedule, as compared to the project's 2013 feasibility study and generated detailed work plans for 2015. These plans include additional metallurgical tests and engineering, including confirmation of the flow sheet and optimizing the operating costs. Once defined, the operating costs generated from this work will be used to evaluate and optimize the project configuration

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ALASKA

Pebble critics laud oil-gas drilling ban

Mine development proponents say petroleum exploration moratorium should have little relevance to future of copper-gold-molybdenum project

By ROSE RAGSDALE

For Mining News

On the face of it, President Barack Obama's decision to place a ban on offshore oil and gas drilling in Alaska's Bristol Bay Region appears to have handed opponents of the Pebble Project another weapon in their ongoing fight to block development of the enormous copper-gold-molybdenum deposit.

But Pebble supporters say a moratorium on petroleum exploration in Bristol Bay has little or no relationship to the merits of the mine project.

Oil and gas drilling in Bristol Bay has long been a contentious issue, dating back to the 1980s when industry interest in the area increased.

But little drilling occurred before the 1989 Exxon Valdez oil spill in Prince William Sound prompted Congress to bar drilling in Bristol Bay and buy back leases that had already been issued at an ultimate cost of more than \$100 million.

President Bill Clinton issued a moratorium on Bristol Bay drilling in 1998. Congress lifted its ban in 2003, but Clinton's order was only overturned by President George W. Bush in 2007, when plans were made to hold a lease sale in 2011.

In 2010, Obama canceled the 2011 lease sale and put a seven-year moratorium on oil and gas activity in Bristol Bay.

In recent years, Republicans have tried multiple times to require a Bristol Bay lease sale but failed to pass such legislation.

Obama moved Dec. 16 to permanently bar oil and gas drilling in the North Aleutian Basin, including Bristol Bay off the coast of southwestern Alaska.



The area is "too precious for us to be putting out to the highest bidder," Obama said in a video message announcing his decision.

In a memo to the Interior Department, the president extended protections for an area estimated to provide 40 percent of U.S. wild-caught seafood.

Interior Secretary Sally Jewell said Obama's action caps decades of work from the community to protect the region's economic and cultural heritage.

"With its pristine waters, rich fisheries and strong tourist economy, Bristol Bay is a treasure that should be off limits for oil and gas development," Jewell added in a statement.

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